ALASKA ECONOMIC TRENDS

AUGUST SHOWS SIGNS OF SEASONAL SLOWDOWN

AK'S INCOME REGISTERS STRONG GROWTH

November 1990

ALASKA DEPARTMENT OF LABOR STEVE COWPER, GOVERNOR

ALASKA ECONOMIC
TRENDS

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Alaska Economic Trends is a monthly publication dealing with economic-related issues of Alaska. Opinions and analyses expressed by guest authors may not be consistent with those of the Alaska Department of Labor.

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MADE IN ALASKA

Alaska's Income Growth Among Strongest In Nation in 1989 & 1990

By Neal Fried

A strong economic recovery combined with income earned from the oil spill to raise Alaska's personal income to a new high in 1989. (See Figure 1.) The change in the state's total personal income figure was dramatic- from listless growth in 1988 to the second fastest growing state in 1989. Alaska's total personal income grew by over $1 billion last year. (See Table 1.)

A billion dollars more income in 1989 translated into an annual growth rate of 13%, and Alaska was one of four states that grew at double-digit speed. The last time personal income grew this rapidly in Alaska was in 1983. In 1989 almost all of Alaska's industries contributed to this income growth.

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Oil Spill Accounts for at Least a Third of all Income Growth

While almost every industry contributed to higher personal income levels, earnings from the oil spill cleanup are too large to ignore. According to the U.S. Department of Commerce, earnings in the transportation industry (where most of the oil spill earnings are counted) grew by $349 million. This accounts for nearly one-third of the total increase in Alaska's personal income in 1989 and doesn't factor in higher incomes in industries indirectly affected by the oil spill.

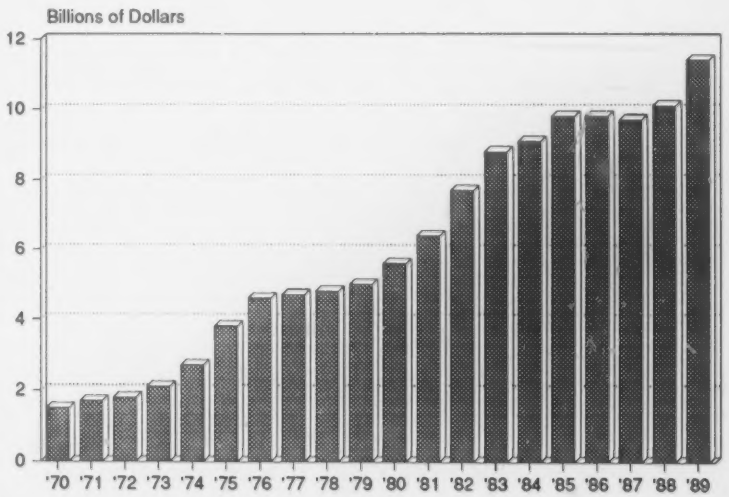
How much did the spill influence Alaska's income levels? Recent figures indicate that the torrid pace of income growth has moderated, but hasn't reversed itself. During the second quarter of 1990, Alaska led the nation in total personal income growth at an annual rate of 2.4%.

What Counts as Income?

The U.S. Department of Commerce's Bureau of Economic Analysis (BEA) produces most of the nation's personal income data. BEA personal income estimates are available for the nation, regions of the country, states, and substate areas such as counties and metropolitan areas. These income figures are adjusted for residency- which means that nonresident income is subtracted from the Alaska figure but income of Alaskans who work outside of the state are added back into the state total. In 1989, the net effect of residence adjustment was that $498 million was subtracted from Alaska's total personal income.

Figure 1

Alaska Total Personal Income 1970-1989



Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table 1

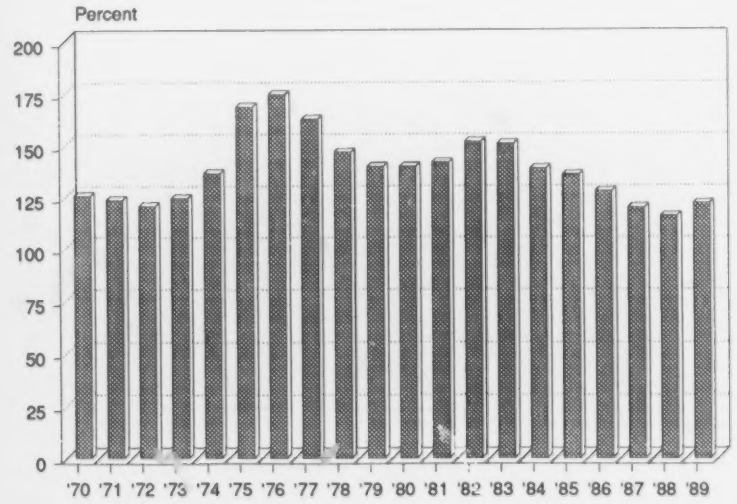
Total and Per Capita Personal Income Alaska and the U.S., 1970-1989

	Alaska Total (in millions of dollars)	U.S. Total (in millions of dollars)	Alaska Per Capita (dollars)	U.S. Per Capita (dollars)	Alaska Per Capita as % of U.S.
1970	1,544	825,534	5,073	4,051	125%
1971	1,679	888,536	5,305	4,296	123%
1972	1,827	976,181	5,596	4,665	120%
1973	2,148	1,095,289	6,447	5,182	124%
1974	2,650	1,204,899	7,689	5,648	136%
1975	3,780	1,308,482	10,189	6,073	168%
1976	4,560	1,447,002	11,599	6,651	174%
1977	4,701	1,602,863	11,831	7,294	162%
1978	4,791	1,806,968	11,912	8,136	146%
1979	5,021	2,028,510	12,582	9,033	139%
1980	5,599	2,254,076	13,835	9,919	139%
1981	6,449	2,514,231	15,486	10,949	141%
1982	7,739	2,663,432	17,366	11,481	151%
1983	8,758	2,834,385	18,161	12,098	150%
1984	9,140	3,101,163	18,087	13,114	138%
1985	9,802	3,317,545	18,785	13,896	135%
1986	9,820	3,519,364	18,483	14,596	127%
1987	9,681	3,766,092	18,438	15,471	119%
1988	10,094	4,058,655	19,042	16,513	115%
1989	11,407	4,368,129	21,656	17,596	123%

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Figure 2

Alaska Per Capita Income As A Percentage of the National Average 1970-1989



Source: U.S. Department of Commerce, Bureau of Economic Analysis.

When BEA calculates personal income figures they include:

- **Net earnings** – Which consist of wages and salaries, other labor income, and proprietors' income minus contributions for social insurance;
- **Dividends, interest, and rent** on assets; and
- **Transfer payments** – Which include government payments to individuals, government payments to nonprofits; and business payments to individuals.

BEA's figures are revised as new information becomes available. Therefore, the 1988 figures reported last year are slightly different than those reported in 1990.

Alaskan's Per Capita Income Also Grows

The growth in total personal income translated into strong growth in Alaska's per capita income figures. Per capita income is calculated by taking the total personal income of an area and dividing it by the area's resident population.

Alaska's per capita income reached a new high in 1989 — $21,656 for every man, woman and child. (See Table 2.) This is a per capita income growth rate of 12.6%, the highest in the nation in 1989. Per capita income in Alaska has never been higher, even after adjusting this figure for inflation. The closest per capita income came to this level in inflation-adjusted dollars was in 1983 at $20,449.

The state's 12.6% improvement in per capita income resulted in Alaska moving up three spots in the state rankings of per capita income. Although Alaska did not regain the top spot it held for many years, it moved to fifth place in 1989, after falling to eighth place in 1988. Alaska's standing relative to the national average also improved markedly in 1989. As a percent of the national average, Alaska's per capita income climbed from 115% in 1988 to 123% in 1989. (See Figure 2.) Although this is a far cry from the 174% reached in 1975, it is another positive indicator for the state.

Per Capita Personal Income By State
1988-1989

STATE	1989	1988	1988-1989 Percent Change	1989 Percent Of U.S.	1989 Average Persons per Household	1989 Average Household Income
Connecticut	$24,683	$23,190	6.4%	140%	2.59	$63,929
New Jersey	23,778	22,265	6.8	135	2.65	63,012
District of Columbia	23,491	22,063	6.5	134	2.37	55,674
Massachussets	22,174	20,898	6.1	126	2.55	56,544
ALASKA	21,656	19,237	12.6	123	2.81	60,853
New York	21,073	19,663	7.2	120	2.55	53,736
Maryland	21,013	19,639	7.0	119	2.65	55,684
New Hampshire	20,267	19,410	4.4	115	2.60	52,694
California	19,929	18,915	5.4	113	2.68	53,410
Nevada	19,269	17,849	8.0	110	2.47	47,594
Virginia	18,927	17,712	6.9	108	2.59	49,021
Illinois	18,824	17,567	7.2	107	2.60	48,942
Delaware	18,483	17,347	6.5	105	2.62	48,425
Hawaii	18,472	16,840	9.7	105	2.97	54,862
Rhode Island	17,950	16,870	6.4	102	2.55	45,773
Minnesota	17,657	16,472	7.2	100	2.57	45,378
Florida	17,647	16,515	6.9	100	2.45	43,235
Washington	17,647	16,364	7.8	100	2.48	43,765
U.S.	17,596	16,513	6.6	100	2.60	45,750
Colorado	17,553	16,471	6.6	100	2.53	44,409
Michigan	17,444	16,391	6.4	99	2.65	46,227
Pennsylvania	17,269	16,135	7.0	98	2.59	44,727
Kansas	16,498	15,688	5.2	94	2.52	41,575
Wisconsin	16,449	15,378	7.0	93	2.57	42,274
Ohio	16,373	15,427	6.1	93	2.57	42,079
Vermont	16,371	15,268	7.2	93	2.53	41,419
Missouri	16,292	15,331	6.3	93	2.53	41,219
Maine	16,248	15,045	8.0	92	2.52	40,945
Georgia	16,053	15,280	5.1	91	2.66	42,701
Oregon	15,919	14,811	7.5	90	2.45	39,002
Arizona	15,802	14,995	5.4	90	2.67	42,191
Indiana	15,779	14,721	7.2	90	2.59	40,868
Texas	15,702	14,753	6.4	89	2.71	42,552
Iowa	15,487	14,316	8.2	88	2.50	38,718
Nebraska	15,446	14,569	6.0	88	2.51	38,769
North Carolina	15,198	14,243	6.7	86	2.55	38,755
Tennessee	14,694	13,895	5.8	84	2.57	37,764
Wyoming	14,508	13,720	5.7	82	2.64	38,301
Oklahoma	14,154	13,306	6.4	80	2.50	35,385
Montana	14,078	12,870	9.4	80	2.55	35,899
Kentucky	13,743	12,792	7.4	78	2.60	35,732
Idaho	13,707	12,652	8.3	78	2.69	36,872
South Dakota	13,685	12,599	8.6	78	2.55	34,897
South Carolina	13,634	12,907	5.6	77	2.73	37,221
Alabama	13,625	12,814	6.3	77	2.65	36,106
North Dakota	13,563	12,342	9.9	77	2.56	34,727
New Mexico	13,140	12,401	6.0	75	2.74	36,004
Utah	13,079	12,225	7.0	74	3.14	41,068
Louisiana	12,921	12,238	5.6	73	2.74	35,404
Arkansas	12,901	12,141	6.3	73	2.58	33,285
West Virginia	12,345	11,578	6.6	70	2.58	31,850
Mississippi	11,724	11,055	6.1	67	2.75	32,241

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table 3

1986-1988
Alaska's Per Capita Income
by Census Area

	1986	1987	1988	Percent of U.S.	Rank in State	1987-88 Percent Change
ALASKA	$18,508	$18,463	$19,237	116.5%	—	4.2%
U.S.	14,597	15,472	16,513	100.0	—	6.7
Aleutian Islands C.A.	17,755	18,491	*	0.0	—	—
Aleutians East Borough	*	*	19,446	117.8	11	—
Aleutians West C.A.	*	*	20,630	124.9	9	—
Anchorage, Municipality of	21,299	21,142	21,840	132.3	7	3.3
Bethel Census Area	11,345	11,546	11,845	71.7	23	2.6
Bristol Bay Borough	25,402	25,329	25,584	154.9	2	1.0
Dillingham Census Area	15,871	15,186	16,657	100.9	14	9.7
Fairbanks North Star Borough	17,097	17,025	16,816	101.8	13	-1.2
Haines Borough	24,475	27,873	33,599	203.5	1	20.5
Juneau Borough	21,134	22,263	23,286	141.0	4	4.6
Kenai Peninsula Borough	15,494	15,109	16,024	97.0	16	6.1
Ketchikan Gateway Borough	20,773	22,470	23,551	142.6	3	4.8
Kodiak Island Borough	15,944	16,372	16,641	100.8	15	1.6
Matanuska-Susitna Borough	13,667	13,187	13,421	81.3	19	1.8
Nome Census Area	13,260	14,248	14,346	86.9	18	0.7
North Slope Borough	20,472	20,541	19,979	121.0	10	-2.7
Northwest Arctic Borough	12,768	12,663	13,312	80.6	20	5.1
Prince of Wales-Outer Ketchikan C.A.	14,503	14,637	15,462	93.6	17	5.6
Sitka Borough	18,899	19,811	20,922	126.7	8	5.6
Skagway-Yakutat-Angoon Census Area	18,658	17,422	17,849	108.1	12	2.5
Southeast Fairbanks Census Area	12,504	11,403	12,273	74.3	22	7.6
Valdez-Cordova Census Area	21,061	20,842	22,818	138.2	6	9.5
Wade Hampton Census Area	8,774	8,999	8,798	53.3	24	-2.2
Wrangell-Petersburg Census Area	20,606	21,720	22,998	139.3	5	5.9
Yukon-Koyukuk Census Area	12,469	11,855	12,410	75.2	21	4.7

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

* Estimates for 1988 separate the Aleutian Islands Census Area into Aleutians East Borough and Aleutians West Census Area.

Most of Alaskans' Income Comes From Wages And Salaries

Nearly three-quarters of Alaskans' income is earned in the form of wages and salaries, which is a substantially larger share than the rest of the nation. (See Figure 3.) This is probably because Alaska has a higher work force participation rate than the rest of the nation, meaning a larger percentage of Alaska's working age population is active in the labor force.

Alaskans earn a far smaller share of their income from the dividend, interest and rents side of the personal income equation. One possible explanation is demographics — a younger population such as Alaska's simply has not had the time to acquire the necessary assets which earn this kind of income.

Transfer payments are also in the income equation. They include unemployment benefits, welfare payments, social security, and in Alaska's case, permanent fund dividends and longevity bonus payments. Although Alaskans are the only Americans that earn the latter two, a proportionately larger share of the national population is receiving transfer payments in the form of social security.

Table 4

Alaska's Average Monthly Wage by Industry 1980-1989

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
Mining	$3,802	$4,030	$4,254	$4,550	$4,703	$5,311	$4,921	$5,171	$5,126	$5,249
Construction	3,342	3,756	3,941	3,860	3,651	3,383	3,425	3,315	3,399	3,503
Manufacturing	1,846	1,828	1,955	2,065	2,115	2,000	2,019	2,116	2,143	2,338
Trans. Comm. & Utilities	2,458	2,731	2,915	2,931	2,946	2,797	2,896	2,718	2,699	3,408
Trade	1,342	1,446	1,522	1,598	1,624	1,546	1,610	1,409	1,487	1,566
Wholesale	2,156	2,286	2,446	2,533	2,558	2,558	2,601	2,484	2,468	2,550
Retail	1,154	1,244	1,302	1,373	1,397	1,316	1,376	1,272	1,274	1,339
Finance-Ins. & R.E.	1,565	1,687	1,915	2,017	2,122	2,252	2,173	2,258	2,216	2,187
Services	1,404	1,614	1,792	1,831	1,837	1,719	1,802	1,655	1,692	1,842
Government	1,945	2,142	2,296	2,420	2,480	2,627	2,565	2,641	2,641	2,739
Federal	1,741	1,952	2,019	2,172	2,268	2,348	2,298	2,414	2,520	2,556
State	2,312	2,433	2,567	2,683	2,698	2,887	2,829	2,895	2,859	2,001
Local	1,847	2,071	2,295	2,397	2,464	2,617	2,539	2,615	2,567	2,757
Statewide	1,931	2,140	2,301	2,379	2,382	2,369	2,345	2,308	2,310	2,479

Source: Alaska Department of Labor, Research & Analysis Section.

Dramatic Income Differences Exist Within The State

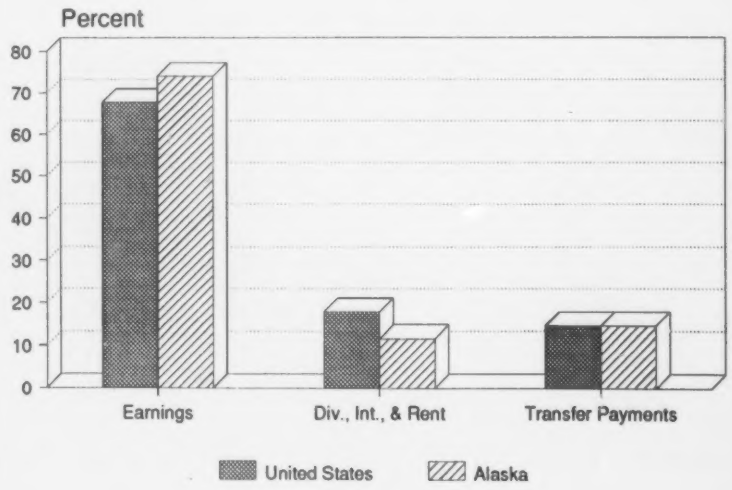
According to Table 3, the Haines Borough still tops the state's per capita income at $33,599; Wade Hampton Census Area is again on the bottom at just over one-quarter of the Haines Borough's per capita income.

Local area per capita income figures must be used with more caution than other personal income figures. Since the population component is key to an area's per capita income level, anomalies in an area's population can cause these figures to be misinterpreted. For example, an area's income can be affected by a large resident college population. Since college students' earnings are typically low, they would depress the local area per capita income.

Another reason that local area per capita income figures should be used with caution is that the data sources used to derive the income figures at the local area level are not always reliable. For example, BEA appears to be using a

Figure 3

Personal Income by Source — Alaska & U.S.



Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table 5

Alaska's Average Monthly Wage by Census Area 1980-1989

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
Aleutian Islands Census Area	$1,549	$1,590	$1,702	$1,693	$1,769	$1,875	$1,892	$2,009	*	*
Aleutians East Borough	*	*	*	*	*	*	*	*	$2,008	$1,959
Aleutians West C.A.	*	*	*	*	*	*	*	*	2,140	2,133
Anchorage, Municipality of	1,921	2,075	2,208	2,289	2,327	2,346	2,385	2,363	2,378	2,495
Bethel Census Area	1,197	1,466	1,634	1,735	1,792	1,756	1,830	1,743	1,727	1,873
Bristol Bay Borough	1,695	2,045	1,989	1,904	2,099	1,860	1,960	2,013	1,970	2,297
Dillingham Census Area	1,637	1,764	1,849	2,150	1,862	1,858	1,863	1,828	1,850	1,925
Fairbanks North Star Borough	2,049	2,210	2,384	2,474	2,414	2,432	2,347	2,320	2,236	2,282
Haines Borough	1,256	1,539	1,728	1,897	2,008	2,089	2,237	2,360	2,373	2,794
Juneau Borough	1,873	2,093	2,195	2,283	2,267	2,295	2,320	2,341	2,339	2,355
Kenai Peninsula Borough	2,031	2,197	2,313	2,309	2,344	2,343	2,255	2,169	2,245	2,558
Ketchikan Gateway Borough	1,868	1,904	2,069	2,137	2,110	2,099	2,107	2,138	2,178	2,310
Kodiak Island Borough	1,534	1,636	1,878	2,003	1,857	1,968	1,620	1,757	1,807	2,373
Matanuska-Susitna Borough	1,585	1,745	1,926	1,918	2,036	1,725	1,976	1,974	1,968	2,063
Nome Census Area	1,481	1,648	1,898	1,933	1,980	1,970	1,988	2,022	2,024	2,200
North Slope Borough	3,800	4,415	4,778	4,849	4,911	4,681	4,341	4,079	4,053	4,225
Northwest Arctic Borough	1,576	1,717	1,729	1,986	2,020	1,951	1,914	1,958	2,122	2,275
Prince of Wales-Outer Ketchikan C.A.	1,866	1,851	1,955	2,124	2,091	1,937	2,039	1,954	2,089	2,293
Sitka Borough	1,838	2,062	2,140	2,082	2,088	2,000	2,009	2,040	2,045	2,097
Skagway-Yakutat-Angoon C.A.	1,435	1,623	1,832	2,055	1,703	1,759	1,786	1,746	1,807	2,138
Southeast Fairbanks Census Area	1,479	1,661	1,637	1,765	1,807	1,900	2,036	1,914	1,890	1,950
Valdez-Cordova Census Area	2,222	2,407	2,488	2,411	2,501	2,507	2,483	2,475	2,417	4,109
Wade Hampton Census Area	1,150	1,328	1,444	1,447	1,463	1,414	1,450	1,570	1,452	1,613
Wrangell-Petersburg Census Area	1,524	1,766	1,909	2,084	1,950	2,098	2,058	2,006	2,065	2,180
Yukon-Koyukuk Census Area	2,126	2,318	2,405	2,465	2,393	2,063	2,090	2,046	2,082	2,144
Statewide Average	1,931	2,140	2,301	2,379	2,382	2,369	2,345	2,308	2,310	2,479

Source: Alaska Department of Labor, Research & Analysis Section.

* Aleutian Islands Census Area was separated into Aleutians East Borough and Aleutians West Census Area in 1988.

high population estimate for Juneau, which in turn deflates its per capita income figure. Using the state demographer's population estimates, per capita income in the Juneau Borough would increase to $24,911 versus BEA's $23,286. Another definition problem for Alaska is that subsistence activities are not accounted for in these income figures.

Although reliability is not this series' strength, these figures do make a point. They emphasize the urban/rural income dichotomy in the state. Alaska's urban areas generally enjoy much higher incomes than most of Alaska's rural areas. In rural areas there are far fewer employment opportunities and often little or no economic infrastructure exists from which to earn income. In Wade Hampton, for example, only 56% of total personal income comes from earnings while 40% comes from transfer payments. On the other hand, more than 70% of income in Fairbanks comes from earnings versus 16% from transfer payments.

There are, however, exceptions to this pattern. The Aleutian Islands, with its booming fishing industry, and the North Slope Borough, with its valuable oil resources, enjoy above average incomes. As long as these figures are used carefully, they can tell an economic story.

Household Income is Another Indicator

Average household income figures in Table 2 are calculated by multiplying per capita income figures by the state's average household size. Because Alaska's household size is higher than the national average, household income is also relatively higher.

Longer Hours, Higher Wages Boost Alaska's Average Monthly Wage

Alaska's average monthly wage also made some impressive gains in 1989. After five years of either declines or zero growth, Alaska's average monthly wage climbed 7.3% in 1989, reaching $2,479 — the highest it has ever been in nominal terms (but not in inflation-adjusted dollars). (See Table 4.) Since this statistic is arrived at by dividing the state's total payroll by the total number of jobs, a number of factors can contribute to a higher average monthly wage. Among the factors which influence average monthly wage are longer hours, higher wages, and changes in the occupation or industry mix of the workforce. A combination of longer hours worked and higher wages probably explains the 1989 increase in Alaska's average monthly wage.

Looking at the industry wage data confirms the broad-based nature of Alaska's economic recovery in 1989. The finance-insurance and real estate industry was the only industry that didn't register increased wages in 1989.

The peak performer was the transportation, communication and utilities industry with a whopping 26%, or $700 per month, increase in average monthly wages in 1989. Almost all of this increase, however, was a result of oil spill cleanup wages. Manufacturing also made some impressive gains because of a combination of overtime hours processing the 1989 fish catch and a healthy timber harvest.

Oil Industry Wages Remain Highest

As always, Alaska's mining industry (90% of which is the oil and gas industry) tops the industry average monthly wage list at $5,249. Construction follows at $3,503 with transportation, communication and utilities not far behind. On the bottom of the list is retail trade — an industry dominated by part-time employment and low wages. Caution must be exercised when making industry comparisons, particularly because many of these industries are very seasonal. For example, the average construction worker may earn a high average monthly wage but may only work part of the year.

Measuring Poverty Levels of Income in Alaska

While there is no comprehensive, ongoing measurement to determine what a poverty level of income is in Alaska, two measurements available from federal agencies are provided below to help determine what a poverty level income is in Alaska.

The poverty income guidelines shown below are used to determine eligibility of individuals and families for a number of federal and state programs. They are derived by adding 25% to the national criteria to take into account the higher cost of living in Alaska. Each year they are updated to reflect the change in the consumer price index.

There are no reliable figures for the number of Alaskans that presently meet this criteria. The last time Alaska's poverty population was determined was during the 1980 census. In 1992 results from the 1990 census should become available, and provide us with the first updated statistics on Alaska's poverty population in ten years.

The lower living standard income levels shown below are used to determine eligibility on the basis of economic disadvantage for Job Training Partnership Act (JTPA) and other job and training programs. They are also updated annually.

1990 Federal Poverty Income Guidelines

Family Size	Income Criteria for 100% of the LISIL
1	$7,840
2	11,310
3	15,530
4	19,170
5	22,630
6	26,460
7	30,290
8	34,120
For each additional family member add:	$3,810

Source: Federal Register Vol. 55, No. 72, April 13, 1990.

Lower Living Standard Income Levels

Family Size	Alaska	All other states Except Hawaii
1	$7,840	$6,280
2	10,520	8,420
3	13,200	10,560
4	15,880	12,700
5	18,560	14,840
6	21,240	16,980
7	23,920	19,120
8	26,600	21,260
For each additional family member add:	2,680	2,140

Source: Federal Register Vol. 55, No. 33, February 16, 1990.

Oil Spill Boosts Wages In The Gulf Coast Region

Average monthly wages improved in almost all of the state's boroughs and census areas. (See Table 5.) Not surprisingly, the Valdez-Cordova average monthly wage climbed the most, from $2,417 in 1988 to $4,109 in 1989. Average monthly wages in the Kodiak and the Kenai Peninsula boroughs, the two other areas heavily affected by the oil spill, also climbed substantially. Healthy increases were not limited to areas impacted by the oil spill. Bristol Bay, Anchorage, Haines and others also enjoyed significant increases.

Summary: Alaska's Income Picture Looks Good

Alaska's healthy economic recovery translated into a strong comeback in personal income. Alaska's personal income enjoyed its single largest jump in many years, increasing by more than $1 billion in 1989. Alaska's income growth went from being one of the most tepid in the nation to one of the most robust.

A well-rounded economic recovery was responsible for most of this growth, but the oil spill put the icing on the cake. Nearly a third of the increase is attributable to the oil spill. Even with little oil spill activity, Alaska's income picture looked good for the first half of 1990.

Alaska's per capita income improved along with total personal income. It reached a record $21,656 in 1989. Its rate of growth was the highest in the nation. In spite of this strong growth, Alaska is still far from reaching the top spot in the nation that it held for many years. And if the cost of living is taken into account, Alaska's income picture is not quite as rosy.

Along with income, Alaska's average monthly wage also surged in 1989, after five years of decline. Again, the strong economic recovery along with help from the oil spill are responsible. In the transportation industry the average monthly wage grew by 26%. All other industries save one also enjoyed advances, to a lesser extent.

The oil industry still pays the top average monthly wages in the state, followed by construction. Income and wage data is just another confirmation of the strong economic recovery Alaska is enjoying.

August Shows Signs of Seasonal Slowdown

by John Boucher

Alaska's statewide unemployment rate increased two-tenths of a percentage point in August, rising to 5.5%. The number of unemployed Alaskans in August was slightly less than 14,800, up a little more than 500 from July. (See Table 4.)

The August unemployment rate continued a recent pattern of monthly rates which have been above last year's rates, but well below usual levels of unemployment. (See Figure 1.) The August rise in the unemployment rate was relatively small, but it was a signal that Alaska's peak employment season is nearly over. Alaska's unemployment rate begins to increase after the end of the salmon-processing season, although the unemployment rate typically stays relatively low through September.

Corroborating the increase in the unemployment rate, wage and salary employment dropped slightly in August. What was unusual was that overall employment dropped despite the fact that every major industry category except manufacturing had more jobs in August than in July. (See Table 1.) While most industries gained jobs, they did so at relatively slow rates. Government employment was the largest gainer with 500 jobs, followed by retail trade which added 300 jobs.

About the author:

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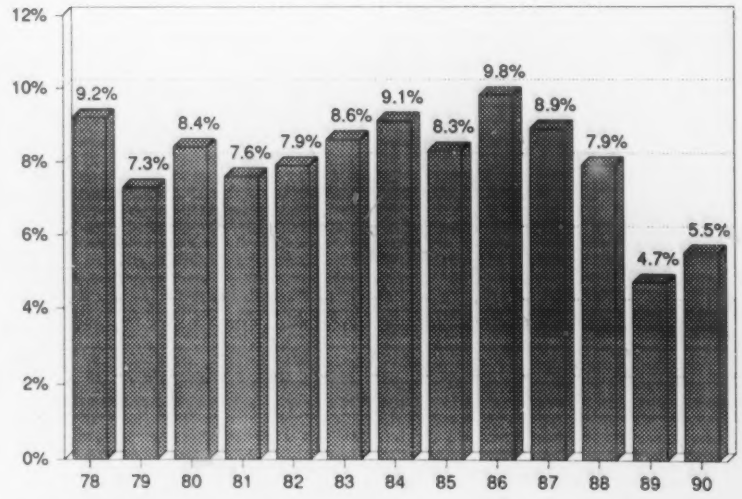
Seafood Processing Causes August Job Loss

Despite most industries realizing employment gains, the cumulative gain was not enough to offset the job loss in Alaska's seafood processing industry. More than 2,300 jobs were lost from July to August as seafood processors in Southwestern Alaska and the Gulf Coast region geared down from their peak salmon-processing season. Mid-June to mid-July is a crucial time for most of Alaska's salmon industry. By the middle of August, volume processed in many plants has dropped off and the need for labor has subsided. By mid-September, many plants have geared down substantially and are preparing for other species. In the extreme case, some plants have 350 employees processing millions of pounds of product in July and are reduced to a skeleton crew of caretakers by mid-September.

Figure 1

August Unemployment Rate 1978-1990



Source: Alaska Department of Labor, Research and Analysis Section.

Table 1

Nonagricultural Wage and Salary Employment By Place of Work — Alaska

	p/ 8/90	r/ 7/90	8/89	Changes from: 7/90	8/89
Total Nonag. Wage & Salary	251,000	251,900	249,100	-900	1,900
Goods-producing	48,900	50,700	46,800	-1,800	2,100
Mining	11,900	11,700	10,600	200	1,300
Construction	13,400	13,200	12,700	200	700
Manufacturing	23,600	25,800	23,500	-2,200	100
Durable Goods	4,600	4,600	4,600	0	0
Lumber & Wood Products	3,600	3,600	3,600	0	0
Nondurable Goods	19,000	21,200	18,900	-2,200	100
Seafood Processing	15,100	17,400	15,100	-2,300	0
Pulp Mills	1,000	900	1,000	100	0
Service-producing	202,100	201,200	202,300	900	-200
Transportation	21,100	21,000	26,400	100	-5,300
Trucking & Warehousing	2,600	2,600	2,600	0	0
Water Transportation	1,400	1,400	1,900	0	-500
Air Transportation	7,000	7,000	6,800	0	200
Communications	3,300	3,300	3,200	0	100
Trade	48,900	48,700	47,300	200	1,600
Wholesale Trade	8,800	8,900	8,600	-100	200
Retail Trade	40,100	39,800	38,700	300	1,400
Gen. Merch. & Apparel	5,800	5,600	5,600	200	200
Food Stores	7,200	7,200	6,700	0	500
Eating & Drinking Places	14,500	14,500	14,300	0	200
Finance-Ins. & Real Estate	10,900	10,900	10,600	0	300
Services & Misc.	51,600	51,500	50,900	100	700
Hotels & Lodging Places	6,700	6,700	6,500	0	200
Government	69,600	69,100	67,100	500	2,500
Federal	19,200	19,600	19,000	-400	200
State	21,400	21,600	20,300	-200	1,100
Local	29,000	27,900	27,800	1,100	1,200

Notes: Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear above are definitionally different from those that appear in the Labor Force table.

Benchmark date: March 1989

p/ denotes preliminary estimates r/ denotes revised estimates

Source: Alaska Department of Labor, Research & Analysis Section.

Southeast An Exception To Seafood Employment Drop

There is an exception to the rule of a July peak in seafood processing employment. Southeast Alaska tends to experience its peak seafood employment a month later than the rest of the state. This August was no exception. While the rest of the state lost 2,600 salmon processing jobs, Southeast Alaska posted a job gain of 300. (See Table 2.)

The different regional employment patterns can be attributed to the timing of the region's largest runs. In most parts of Alaska, the fish tend to arrive at the fishing grounds during the mid-June to mid-July period. On the other hand, Southeast Alaska's pink salmon run tends to arrive at the fishing grounds in August. Consequently, the demand for processing labor in Southeast Alaska is at its peak during that month.

State and Federal Government Contribute to Employment Drop

While seafood processing employment had the biggest influence on the statewide employment picture, a few significant events in the government sector affected August's employment counts. State and federal government employment both dropped off as temporary employment surges related to special events subsided.

In state government, crews hired to fight fires during Alaska's worst fire season in recent memory were being laid off in August. State government employment would have dropped even further than 200 jobs had it not been for an employment surge at the University of Alaska.

Federal government employment dropped 400 during August. One of the key agencies in the August employment drop was the Census Bureau as some employees who had been doing follow-up work were laid off.

Local Government Surge Is Education-Related

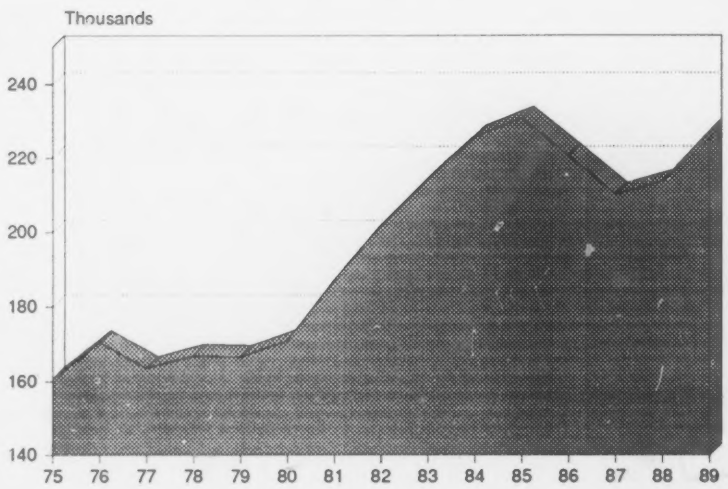
August is typically a turnaround month for Alaska's local government employment as school districts prepare for the beginning of the new school year. It is no coincidence that in many areas of Alaska the beginning of a new school year shortly follows the end of the salmon-processing season. Many rural Alaskans pack up fish camps after the fishing season and relocate to the village where the school is located. In many fishing-dependent villages, school starts as early as the last week of August so that the school year can be completed prior to the beginning of the first fish runs in May.

Mixed News for Hard Rock Mining Industry

Alaska's hard rock mining industry received some good news and an employment boost when the Valdez Creek mine reopened in August. Previously, this mine was among the highest volume gold producers in the state and it was one of the largest private employers in the MatSu Borough. On the down side, the mining industry received some bad news when WestGold announced that the Bima gold dredge operation in Nome would be shut down at the end of this operating season.

Figure 2

Alaska Wage & Salary Employment
1975-1989 Annual Averages



Source: Alaska Department of Labor, Research and Analysis Section

The Mideast Crisis and Alaska

The invasion and subsequent takeover of Kuwait by Iraq on August 2nd had no instantaneous effect on Alaska's economy or August's employment numbers, but it certainly has ramifications for Alaska's immediate future and may dictate events in Alaska's economy for years to come.

A Budget Shortfall Averted

Probably the most publicized effect of the Mideast Crisis is that it has pushed the price of oil to previously unsurpassed highs, which in turn averted a looming fiscal crisis for state and local governments in Alaska. Prior to the crisis, some analysts projected that a state budget deficit as high as $900 million was possible. The consequences of such a shortfall could have been dramatic, depending on the direction policy makers chose to take to solve the dilemma. One possibility was cutbacks in employment in state government. Another likely result

Table 2

Nonagricultural Wage and Salary Employment By Place of Work

Municipality of Anchorage

	p/ 8/90	r/ 7/90	Changes from: 8/89	7/90	8/89
Total Nonag. Wage & Salary	113,500	112,350	109,200	1,150	4,300
Goods-producing	13,600	13,350	12,650	250	950
Mining	3,800	3,850	3,550	-50	250
Construction	6,950	6,550	6,350	400	600
Manufacturing	2,850	2,950	2,750	-100	100
Service-producing	99,900	99,000	96,550	900	3,350
Transportation	11,050	11,050	11,000	0	50
Trucking & Warehousing	1,600	1,550	1,500	50	100
Water Transportation	250	300	400	-50	-150
Air Transportation	4,250	4,350	4,200	-100	50
Communications	1,950	1,900	1,850	50	100
Trade	27,250	26,900	25,950	350	1,300
Wholesale Trade	6,450	6,500	6,150	-50	300
Retail Trade	20,800	20,400	19,800	400	1,000
Gen. Merch. & Apparel	2,900	2,700	2,750	200	150
Food Stores	3,350	3,300	3,100	50	250
Eating & Drinking Places	8,100	8,000	8,000	100	100
Finance-Ins. & Real Estate	6,950	6,950	6,850	0	100
Services & Misc.	28,050	27,900	27,700	150	350
Hotels & Lodging Places	2,600	2,650	2,550	-50	50
Government	26,600	26,200	25,050	400	1,550
Federal	10,400	10,450	10,150	-50	250
State	7,400	7,250	6,750	150	650
Local	8,800	8,500	8,150	300	650

Fairbanks North Star Borough

	p/ 8/90	r/ 7/90	Changes from: 8/89	7/90	8/89
Total Nonag. Wage & Salary	29,150	29,050	28,600	100	550
Goods-producing	2,900	2,900	2,850	0	50
Mining	250	200	250	50	0
Construction	2,050	2,100	2,000	-50	50
Manufacturing	600	600	600	0	0
Service-producing	26,250	26,150	25,750	100	500
Transportation	2,250	2,200	2,200	50	50
Trucking & Warehousing	550	550	500	0	50
Air Transportation	400	400	400	0	0
Communications	200	200	250	0	-50
Trade	6,700	6,650	6,600	50	100
Wholesale Trade	800	800	800	0	0
Retail Trade	5,900	5,850	5,800	50	100
Gen. Merch. & Apparel	700	650	700	50	0
Food Stores	850	850	800	0	50
Eating & Drinking Places	2,450	2,400	2,400	50	50
Finance-Ins. & Real Estate	950	950	900	0	50
Services & Misc.	6,700	6,550	6,650	150	50
Government	9,650	9,800	9,400	-150	250
Federal	3,300	3,300	3,250	0	50
State	4,000	4,150	3,800	-150	200
Local	2,350	2,350	2,350	0	0

Anchorage-MatSu Region

	p/ 8/90	r/ 7/90	Changes from: 8/89	7/90	8/89
Total Nonag. Wage & Salary	120,600	119,600	116,400	1,000	4,200
Goods-producing	14,050	13,800	13,300	250	750
Mining	3,850	3,900	3,750	-50	100
Construction	7,250	6,800	6,650	450	600
Manufacturing	2,950	3,100	2,900	-150	50
Service-producing	106,550	105,800	103,100	750	3,450
Transportation	11,700	11,650	11,550	50	150
Trade	29,000	28,850	27,900	150	1,100
Finance-Ins. & Real Estate	7,400	7,350	7,300	50	100
Services & Misc.	29,600	29,450	29,100	150	500
Government	28,850	28,500	27,250	350	1,600
Federal	10,550	10,650	10,300	-100	250
State	8,150	8,000	7,550	150	600
Local	10,150	9,850	9,400	300	750

Interior Region

	p/ 8/90	r/ 7/90	Changes from: 8/89	7/90	8/89
Total Nonag. Wage & Salary	33,850	33,700	33,100	150	750
Goods-producing	3,250	3,250	3,100	0	150
Mining	400	400	350	0	50
Construction	2,200	2,250	2,100	-50	100
Manufacturing	650	600	650	50	0
Service-producing	30,600	30,450	30,000	150	600
Transportation	2,600	2,500	2,500	100	100
Trade	7,200	7,150	7,100	50	100
Finance-Ins. & Real Estate	1,000	1,000	1,000	0	0
Services	7,500	7,350	7,400	150	100
Government	12,300	12,450	12,000	-150	300
Federal	4,000	4,000	4,000	0	0
State	4,700	4,850	4,350	-150	350
Local	3,600	3,600	3,650	0	-50

Notes: Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear above are definitionally different from those that appear in the Labor Force table.

Benchmark date: March 1989 p/ denotes preliminary estimates r/ denotes revised estimates

(cont. on page 13)

Source: Alaska Department of Labor, Research & Analysis Section.

Nonagricultural Wage and Salary Employment By Place of Work

Southeast Region

	p/ 8/90	r/ 7/90	Changes from: 8/89	7/90	8/89
Total Nonag. Wage & Salary	37,300	36,800	36,400	500	900
Goods-producing	9,050	8,750	9,050	300	0
Mining	400	400	300	0	100
Construction	1,450	1,450	1,450	0	0
Manufacturing	7,200	6,900	7,300	300	-100
Durable Goods	3,150	3,200	3,350	-50	-200
Lumber & Wood Products	3,000	3,050	3,200	-50	-200
Nondurable Goods	4,050	3,700	3,950	350	100
Seafood Processing	2,900	2,600	2,800	300	100
Pulp Mills	950	900	950	50	0
Service-producing	28,250	28,050	27,350	200	900
Transportation	2,800	2,750	2,800	50	0
Trade	6,050	6,050	5,800	0	250
Wholesale Trade	700	700	650	0	50
Retail Trade	5,350	5,350	5,150	0	200
Finance-Ins. & Real Estate	1,150	1,150	1,100	0	50
Services & Misc.	5,750	5,700	5,700	50	50
Government	12,500	12,400	11,950	100	550
Federal	2,400	2,450	2,250	-50	150
State	5,600	5,750	5,450	-150	150
Local	4,500	4,200	4,250	300	250

Gulf Coast Region

	p/ 8/90	r/ 7/90	Changes from: 8/89	7/90	8/89
Total Nonag. Wage & Salary	26,850	27,800	31,850	-950	-5,000
Goods-producing	9,100	10,100	9,000	-1,000	100
Mining	950	850	900	100	50
Construction	1,300	1,350	1,300	-50	0
Manufacturing	6,850	7,900	6,800	-1,050	50
Seafood Processing	5,700	6,800	5,700	-1,100	0
Service-producing	17,750	17,700	22,850	50	-5,100
Transportation	1,950	2,000	7,200	-50	-5,250
Trade	4,350	4,400	4,400	-50	-50
Wholesale Trade	650	700	650	-50	0
Retail Trade	3,700	3,700	3,750	0	-50
Finance-Ins. & Real Estate	600	600	600	0	0
Services & Misc.	4,950	4,900	4,950	50	0
Government	5,900	5,800	5,700	100	200
Federal	700	700	600	0	100
State	1,950	1,900	1,950	50	0
Local	3,250	3,200	3,150	50	100

Northern Region

	p/ 8/90	r/ 7/90	Changes from: 8/89	7/90	8/89
Total Nonag. Wage & Salary	15,600	15,300	14,350	300	1,250
Goods-producing	7,000	6,950	6,150	50	850
Mining	6,200	6,150	5,300	50	900
Service-producing	8,600	8,350	8,200	250	400
Government	4,250	4,000	4,100	250	150
Federal	300	300	300	0	0
State	350	350	300	0	50
Local	3,600	3,350	3,500	250	100

Southwest Region

	p/ 8/90	r/ 7/90	Changes from: 8/89	7/90	8/89
Total Nonag. Wage & Salary	17,050	18,200	16,700	-1,150	350
Goods-producing	6,400	7,750	6,300	-1,350	100
Seafood Processing	5,800	7,100	5,750	-1,300	50
Service-producing	10,650	10,450	10,400	200	250
Government	5,650	5,450	5,500	200	150
Federal	1,350	1,350	1,350	0	0
State	550	550	550	0	0
Local	3,750	3,550	3,600	200	150

Notes: Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear above are definitionally different from those that appear in the Labor Force table.

Benchmark date: March 1989 p/ denotes preliminary estimates r/ denotes revised estimates

Source: Alaska Department of Labor, Research & Analysis Section.

would have been a cut in monies available to municipalities and local school districts, which could have resulted in less local government employment. With the sudden and dramatic rise in oil prices, this is an unlikely scenario for at least the current fiscal year.

The Price of Higher Cost Oil

It is an almost undisputed fact of recent Alaskan economics that when oil prices have been high, Alaska has experienced some of its most dramatic periods of employment expansion. One only need look at the period from 1979 to 1985 to be reminded of what the results of prolonged higher oil prices were on Alaska's economy. (See Figure 2.) Yet not every Alaskan cheered the news of higher oil prices and here's a short list of why they didn't.

✔ **A Higher Cost of Living** — The most apparent effect to nearly every Alaskan consumer is the adverse effect higher oil prices have on their pocketbook. Gasoline and heating oil are essentials in many areas of Alaska and the increased cost of these items will hit low income families particularly hard. The Alaska Department of Health and Social Service's Energy Assistance Program assists individuals who are having difficulty providing for their home energy needs. At this time the agency anticipates that there will be a significant increase in the number of applications for the program while the average grant will not purchase as much fuel as it has in the past.

✔ **A Higher Cost of Doing Business** — Individuals aren't alone when higher energy costs hit; businesses also share the burden. An operation in which energy costs are a significant portion of the cost of doing business is placed in a dilemma. They can hold their prices steady — which results in a quick deterioration of their profit margin — or they can pass on higher energy costs to customers and risk losing them. This dilemma is most apparent in Alaska's airline industry, where jet fuel costs are skyrocketing yet competitive pressures to keep prices low are persistent. Another example is Alaska's fishermen. They saw a more than 30% increase in the price of fuel in August, yet the price being paid for fish didn't change.

✔ **Recession Dangers** — Many Alaskan products, particularly fish and timber exports, have thrived during the past several years. Key to the success of these industries has been a healthy world market for these products. Higher oil prices act in much the same way a tax increase does — they reduce the amount of income available to consumers and businesses to spend on other products. This in turn slows down the production of those products, which can result in layoffs and a recession. A worldwide recession could reduce the demand for Alaskan products and result in employment losses in Alaska.

✔ **The Lifeboat Effect** — One possible result of a national recession is a dramatic increase in the rate of inmigration to Alaska similar to what happened in the early 1980s. Another period of rapid inmigration could easily swamp the ability of Alaska's economy to create jobs for the new residents. The result in this scenario would be higher unemployment and a much more competitive job market for workers.

ANWR and Other Oil Development Now More Likely?

Another result of the Mideast crisis is that national energy policy, and Alaska's role in that policy, has come to the fore. Since the Valdez oil spill, the issue of development of the Arctic National Wildlife Refuge (ANWR) has been on the back burner. The current situation has underlined national dependence upon foreign sources for oil. Whether or not this will result in ANWR being placed on a fast track is a matter for debate, but evaluation of the pros and cons of development are now back in the debate forum. The same might be said for oil industry investment in production enhancement projects which looked marginal only a few months ago.

Summary — August Employment Normal; Crisis Deals A Wild Card

August employment and unemployment numbers indicated that Alaska's economy was continuing down a path of slower yet continued growth. Expected seasonal fluctuations, especially in the seafood processing industry, indicated that the summer employment peak had been reached. For the next six months Alaskans can expect the number of jobs available to shrink and unemployment rates to rise.

The Iraqi invasion and subsequent occupation of Kuwait dealt the state's economic future a wild card. Oil prices have risen dramatically, resulting in a more stable outlook for Alaska's public sector but an uncertain future for consumers and many portions of the private sector.

Table 3

Alaska Hours and Earnings for Selected Industries 1/2

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	p/ 8/90	r/ 7/90	8/89	p/ 8/90	r/ 7/90	8/89	p/ 8/90	r/ 7/90	8/89
Mining	$1,120.59	$1,147.70	$1,073.96	49.3	49.3	49.4	$22.73	$23.28	$21.74
Construction	1,206.35	1,186.33	1,112.98	49.4	48.7	47.2	24.42	24.36	23.58
Manufacturing	638.81	566.78	601.16	55.5	51.2	53.2	11.51	11.07	11.30
Seafood Processing	580.51	505.55	532.02	61.3	55.8	58.4	9.47	9.06	9.11
Trans., Comm. & Utilities	606.20	633.36	898.05	35.0	36.4	51.2	17.32	17.40	17.54
Trade	408.38	425.46	395.16	36.3	36.9	35.6	11.25	11.53	11.10
Wholesale	548.00	586.26	522.06	40.0	40.6	38.5	13.70	14.44	13.56
Retail	359.80	368.14	351.88	35.0	35.5	34.6	10.28	10.37	10.17
Finance-Ins. & R.E	384.54	395.30	403.82	34.0	36.5	35.8	11.31	10.83	11.28

Notes: p/ denotes preliminary estimates r/ denotes revised estimates Benchmark: March 1989

1/ Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor.

2/ Retail Trade excludes eating and drinking establishments.

Averages are based on data for full- and part-time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

Source: Alaska Department of Labor, Research & Analysis Section.

Table 4

Labor Force By Region and Census Area

	Labor Force			Unemployment			Rate			Employment		
	p/ 8/90	r/ 7/90	8/89	p/ 8/90	r/ 7/90	8/89	p/ 8/90	r/ 7/90	8/89	p/ 8/90	r/ 7/90	8/89
Alaska Statewide	266,657	270,279	262,618	14,780	14,245	12,382	5.5	5.3	4.7	251,877	256,034	250,236
Anch.-MatSu Region	133,841	134,565	128,366	7,133	6,624	5,827	5.3	4.9	4.5	126,708	127,941	122,539
Anchorage Borough	119,122	119,208	113,549	5,508	5,072	4,561	4.6	4.3	4.0	113,614	114,136	108,988
MatSu Borough	14,719	15,357	14,817	1,625	1,552	1,266	11.0	10.1	8.5	13,094	13,805	13,551
Gulf Coast Region	33,138	34,697	37,737	2,160	2,080	1,395	6.5	6.0	3.7	30,978	32,617	36,342
Kenai Peninsula Borough	20,555	21,427	23,383	1,574	1,442	1,115	7.7	6.7	4.8	18,981	19,985	22,268
Kodiak Island Borough	7,485	7,904	8,610	253	289	125	3.4	3.7	1.5	7,232	7,615	8,485
Valdez-Cordova	5,098	5,366	5,744	333	349	155	6.5	6.5	2.7	4,765	5,017	5,589
Interior Region	37,849	38,198	36,607	2,611	2,576	2,277	6.9	6.7	6.2	35,238	35,622	34,330
Fairbanks North Star Bor.	32,875	33,117	31,716	2,321	2,230	1,949	7.1	6.7	6.1	30,554	30,887	29,767
Southeast Fairbanks	2,064	2,074	1,980	111	100	78	5.4	4.8	3.9	1,953	1,974	1,902
Yukon-Koyukuk	2,910	3,007	2,911	179	246	250	6.2	8.2	8.6	2,731	2,761	2,661
Northern Region	8,583	8,546	7,964	620	701	563	7.2	8.2	7.1	7,963	7,845	7,401
Nome	3,158	3,134	2,970	245	264	262	7.8	8.4	8.8	2,913	2,870	2,708
North Slope Borough	3,098	3,080	2,933	86	113	134	2.8	3.7	4.6	3,012	2,967	2,799
Northwest Arctic Borough	2,327	2,332	2,061	289	324	167	12.4	13.9	8.1	2,038	2,008	1,894
Southeast Region	39,212	39,381	38,229	1,680	1,752	1,775	4.3	4.4	4.6	37,532	37,629	36,454
Haines Borough	943	939	910	51	44	43	5.4	4.7	4.7	892	895	867
Juneau Borough	17,708	17,691	17,237	734	674	751	4.1	3.8	4.4	16,974	17,017	16,486
Ketchikan Gateway Bor.	7,290	7,330	7,096	335	357	341	4.6	4.9	4.8	6,955	6,973	6,755
Pr. of Wales-Outer Ketch.	2,904	2,970	2,867	136	195	179	4.7	6.6	6.2	2,768	2,775	2,688
Sitka Borough	4,596	4,624	4,465	175	192	171	3.8	4.2	3.8	4,421	4,432	4,294
Skagway-Yakutat-Angoon	1,841	1,874	1,793	113	141	114	6.1	7.5	6.4	1,728	1,733	1,679
Wrangell-Petersburg	3,930	3,953	3,861	136	149	176	3.5	3.8	4.6	3,794	3,804	3,685
Southwest Region	14,034	14,892	13,715	576	512	545	4.1	3.4	4.0	13,458	14,380	13,170
Aleutians East Borough	991	1,059	973	6	6	9	0.6	0.6	0.9	985	1,053	964
Aleutians West	2,789	2,972	2,733	29	23	32	1.0	0.8	1.2	2,760	2,949	2,701
Bethel	5,394	5,716	5,278	293	265	286	5.4	4.6	5.4	5,101	5,451	4,992
Bristol Bay Borough	536	566	514	16	10	5	3.0	1.8	1.0	520	556	509
Dillingham	2,506	2,658	2,459	69	54	74	2.8	2.0	3.0	2,437	2,604	2,385
Wade Hampton	1,818	1,921	1,758	163	154	139	9.0	8.0	7.9	1,655	1,767	1,619

Notes: p/ denotes preliminary estimates r/ denotes revised estimates Benchmark: 1989

- Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey in formulas used to allocate federal funds.
- Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor.
- The official definition of unemployment currently in place excludes anyone who has made no attempt to find work in the four-week period up to and including the week that includes the 12th of each month. Most Alaska economists believe that Alaska's rural localities have proportionately more of these discouraged workers.
- The employment numbers that appear above are definitionally different from those that appear in the Nonagricultural Wage & Salary Employment tables.

Source: Alaska Department of Labor, Research & Analysis Section.

Alaska Economic Regions